

CITY OF NEWARK
Delaware

RFP NO. 15-02
ONLINE PAYMENT PROCESSING AND BILL PRESENTMENT SYSTEM

ADDENDUM NO. 1 – QUESTIONS AND ANSWERS

July 9, 2015

1. Will the city consider an extension?

A: The City may consider extending the due date for the RFP, but unless otherwise posted as an addendum, the due date remains 2:00pm, Tuesday, July 14, 2015.

2. Does the city currently accept credit cards via lockbox?
 - a. Will the city consider this?

A: The City currently only accepts check payments at the physical lockbox location. The City is open to alternative solutions presented in the responses to this RFP.

3. Please provide the total number of merchant ID numbers in use.
 - a. Please provide the product or service the constituent is purchasing by MID.
 - b. Please provide the annual volume and average transaction for each MID.

A: This information is currently unavailable and will be answered more precisely in a separate addendum if possible. There are several merchant ID numbers in use; most notable are one for utilities and one to process large payments from the City's largest utility customer. Among the merchant IDs in use for utilities, annual volume is estimated at \$32 million over about 32,500 transactions per year, or about \$985 per transaction. However, the City's largest utility customer makes one or a small number of very high payments per month totaling over \$1 million, significantly skewing the data. Excluding the largest utility customer, the annual volume is about \$8 million per year over about 32,500 transactions, or about \$250 per transaction.

4. Can the City provide the current ERP system and accounting software that it uses today?

A: The City's Finance Department uses Harris Northstar for utility billing (electric, water and sewer billing) and Harris CityView for property tax billing, business license renewals, and property code enforcement and violation processing. The City's Parks & Recreation Department currently uses Max Galaxy software for recreation, sports, fitness and camp program registration and payment, but the team will be seeking proposals for a new vendor. The Alderman's Court currently uses Cardinal ticketing systems, but the team is seeking proposals for a new vendor.

5. Does the city have any plans to implement a service fee program?

A: The city currently has no plans to implement a service fee program. However, certain payment types may be candidates to have service fees added.

6. Is the City interested in offering live, bilingual call center for citizens to make payments over the phone?

A: Yes, the City is interested in offering a live, bilingual call center for citizens to make payments over the phone.

7. Is the City interested in having informational calls answered via a call center and/or IVR in addition to taking payments?

A: No, the City is not interested in having informational calls answered via a call center and/or IVR in addition to making payments. The City's customer service team will handle all non-payment inquiries, and then transfer calls to the IVR for payment processing if necessary.

8. Does the City value chargeback protection whereby their payment processing vendor guarantees 100% of the funds collected to the City?

A: The City is interested in chargeback protection with a 100% collection guarantee and would weigh that feature with all other features, benefits and costs in the proposal.

9. Does the City intend to continue to take payments in person using debit/credit card and ACH? If so, is the City requesting proposers to include PCI/EMV card readers to facilitate taking those payments?

A: Yes, the City intends to continue to take payments in person using debit/credit card and ACH. Yes, the City is requesting proposers to include PCI/EMV card readers to facilitate taking those payments. Currently, our cashiers physically take the credit/debit card from the customer, through the glass to card readers on

the cashier side of the glass. We are seeking a solution that would include a customer self-service card reader with pin pad / signature pad on the customer side of the glass, similar to a typical grocery store configuration.

10. Section 5 – Mandatory technical requirements states the vendor must provide the following:

In some situations, self-service payment for debit card and credit card
How many self-service stations does the City anticipate having? Will these kiosks be housed inside City office buildings or will they be out door payment stations?

A: The City (main lobby) has one welcome center and four cashier stations that are staffed during business hours. We would anticipate having five card readers, so that customers could swipe a debit/credit card in person to complete a customer service transaction during business hours with a cashier present. In addition, we are interested in at least two, but possibly as many as five stand-alone kiosks inside City office buildings to facilitate self-service payments in the main lobby and at Alderman's Court. Kiosks would ideally accept all payment types, including checks and cash, and the payment data would have to interface with the City's ERP systems. We are also open to all weather, outdoor solutions, possibly to retrofit a lane outside City Hall as a drive-through self-service payment lane, although this is not a mandatory component of this RFP.

11. Do the Harris Northstar and CityView applications and MaxGalaxy application have APIs available for integration and are both companies able to support the integrations requested in this RFP?

A: Northstar, CityView, Cardinal and MaxGalaxy have APIs available for integration with many vendors, but the vendor list for each is unknown. It is anticipated that each of the City's vendors will be able to build an API for the successful respondent (if one doesn't already exist). It is understood that implementation time is dependent on the existence of an API or the time required to build and test a new API.

12. Does the City require its payment processing vendor to have PCI DSS Level 1 certification?

A: Yes, the City requires its payment processing vendor to have PCI DSS certification at the level required for that particular vendor's card volume and activity.

13. Does the City require its payment processing vendor to participate in the Visa Government and Higher Education Compliance Program?

A: The city currently has no plans to implement a service fee program. However, certain payment types may be candidates to have service fees added, in which

case, it may be beneficial for the payment processing vendor to participate in the Visa Government and Higher Education Compliance Program on behalf of the City. However, it is not required at this time.

14. Can the proposer assume that the final implementation schedule will be agreed with the involvement of Harris and MaxGalaxy's input? Is it safe to assume in the implementation schedule provided in the response that both vendors will be informed and agree to the requirement to integrate with the payment processor and bill presentment provider?

A: Yes, the proposer may assume that the final implementation schedule will be agreed upon with the City and with the involvement of the City's software vendors. It is understood that implementation time is dependent on the existence of an API or the time required to build and test a new API.

15. Will a response be considered without a bid bond?

A: No, a response will not be considered without a bid bond.

16. Will the City find following insurance provisions acceptable?

a. **Worker's Compensation Insurance** complying with applicable law; (B) **Employers' Liability Insurance** policy having minimum limits of US\$500,000 per accident for Bodily Injury and US\$500,000 per employee/aggregate for disease; (C) **Commercial General Liability Insurance** policy having (i) a minimum limits of US\$2,000,000 per occurrence and US\$2,000,000 aggregate, (ii) products/completed operations coverage, and (iii) broad form contractual coverage. Customer shall be named as an additional insured under the Commercial General Liability policy, and said policy shall be endorsed to permit same; (D) **Automobile Liability Insurance** policy covering its owned, hired, and non-owned vehicles and having a minimum combined single limit of US\$1,000,000; (E) **Commercial Crime Insurance** policy having a minimum limit of US\$500,000 as relates to the property of Customer; and (F) **Technology Errors & Omissions Liability, Network and Information Security Liability and Communications and Media Liability Insurance** policy with a minimum limit of US\$5,000,000 Per Wrongful Act and in the aggregate.

A: The insurance described above is acceptable with the exception of the Automobile Liability Insurance, which must carry a \$2,000,000 combined single limit per accident for bodily injury and property damage.

17. How many residents reside in the city today?

A: Approximately 32,000.

18. Does the city currently use a 3rd party print and fulfillment provider to print and mail said statements for the variety of services cited in the RFP?

A: No, the City undertakes bill printing, stuffing, and mail sorting internally.

19. If yes, is it the city's intent to have this provider make these statements available to the online bill presentment and payment provider as PDF's to view "on demand" to assist with facilitating payment?

A: No, it is not the City's intent or requirement to have this provider make these statements available for online bill presentment and payment as PDFs to view on demand to assist with facilitating payment. The City currently employs "CustomerConnect," a Harris product that interfaces with the Northstar utility billing software, for online bill presentment, bill payment, preauthorized payment, budget billing, utility usage history, other data, and more. However, because ONLY the City's utility billing (electric, water and sewer services) feature this level of online features, the City is open to having the successful vendor make statements for all activities or a subset of the City's activities available for online bill presentment and payment as PDFs to view on demand to assist with facilitating payment, in addition to other features, such as the preauthorized payment capability, payment reminders, etc. The City is open to alternative solutions presented in the responses to this RFP.

20. If the resident does not opt "in" to receive a statement within the presentment portal, will they receive a printed statement and visit the portal to make a one-time payment?

A: This depends on the service being billed. Utility customers receive a bill in the mail or electronically and need to have the ability to visit the successful vendor's portal to make a one-time payment or set up recurring payments. Tax customers will receive a printed bill in the mail, business license customers will receive a renewal notice in the mail, and other customers, like those receiving fines, will receive a fine in the mail and will need to have the ability to visit the portal to make a one-time payment.

21. If yes, is the city willing to provide us with the provider's name in advance to ensure technical requirements are discussed in advance of submitting a response that addresses integration costs?

A: Northstar, CityView, Cardinal and MaxGalaxy have APIs available for integration with many vendors, but the vendor list for each is unknown. It is anticipated that each of the City's vendors will be able to build an API for the successful respondent (if one doesn't already exist). It is understood that implementation time is dependent on the existence of an API or the time required to build and test a new API.

22. Or is the city interested in selecting a provider that can receive a statement file, process the same, and present the statement within the online portal for facilitating presentment and payment in one seamless solution?

A: The City is interested in a provider that can receive statement files, process the files, and present a unified statement within the online portal for facilitating presentment and payment in one seamless solution.

23. Can we receive the monthly statement volume for the variety of services cited in the RFP, to include property taxes, utilities, services, fees, permits, business licenses, fines, assessments and other miscellaneous charges from residents and businesses residing inside and outside of the City?

A: The City issues approximately 11,500 utility bills each month, with annual sales of approximately \$66.5 million. The City issues annual property tax bills each July to about 7,500 parcels totaling \$5.7 million (about 3,000 of those will be auto-paid by mortgage / escrow service companies). Quarterly bills are issued for improved properties, but volume is significantly lower than the annual billing. A total of 830 licensed businesses receive annual renewals, which are staggered into monthly billings based on the original licensure date. Payments for services, fees, permits, fines and assessments vary in volume, timing and amount.

Annual receipts for certain categories follow:

Fines:	\$2.0 million
Permits & Licenses:	\$1.9 million
Park Fees:	\$0.6 million
Property Tax:	\$5.7 million
Parking:	\$2.8 million
Other Taxes & Fees:	\$0.5 million

24. Can you provide us with the annual totals for both the number of transactions and the dollar amount collected?

A: This information is currently unavailable and will be answered more precisely in a separate addendum if possible. Annual volume is estimated at \$32 million over about 32,500 transactions per year, or about \$985 per transaction. However, the City's largest utility customer makes one or a small number of very high payments per month totaling over \$1 million, significantly skewing the data. Excluding the largest utility customer, the annual volume is about \$8 million per year over about 32,500 transactions, or about \$250 per transaction.

25. Are you looking at replacing your card terminals? If not, are your current terminals EMV compliant?

A: We are looking to replace our card terminals (they are not currently EMV compliant).